

BRANCHES OF THE MINT.

LETTER

FROM

THE SECRETARY OF THE TREASURY,

Transmitting to the Chairman of the Committee of Ways and Means a communication from the Director of the Mint, in relation to the establishment of Branches of that institution.

JANUARY 23, 1835.

Read, and laid upon the table.

TREASURY DEPARTMENT,

January 17, 1835.

SIR: Immediately on the receipt of your several communications, dated the 10th, 12th, and 23d ultimo, copies of the resolutions of the House of Representatives, enclosed in those communications, were transmitted to the Director of the Mint, with a request that he would furnish the department with his views, and such information as would enable me to comply with the wishes of the committee. A report has this day been received from that officer, which is herewith submitted.

Although, in some of the details, and on some of the topics introduced, incidentally, in connexion with the subject of the establishment of branches of the mint, the department does not fully coincide with Mr. Moore, yet, on the principal subject of inquiry, the difference is so slight, that it is not deemed necessary, in order to meet the requests of the committee, to offer any suggestions beyond what the science and research of the Director of the Mint have enabled him to present.

I remain, very respectfully,

Your obedient servant,

LEVI WOODBURY,

Secretary of the Treasury.

The Hon. JAS. K. POLK,

Chairman Comm. Ways and Means, H. R.

MINT OF THE UNITED STATES,

Philadelphia, January 15, 1835.

SIR: Conformably to your request, accompanying a communication of the resolutions of the House of Representatives, relative to the establish-

ment of branches of the mint, I have now the honor to submit the remarks which a careful consideration of the subject has suggested in regard to the measure contemplated by those resolutions.

The mint was established, as declared in the act of Congress of 1792, under which it originated, for the purpose of a national coinage. In thus exercising the exclusive power of coining money, confided by the constitution to the General Government, no conception appears to have been entertained of rendering it productive as a source of revenue, nor even that the expenses of the establishment should be sustained by a charge on its operations. The benefits of a circulating medium offering a measure of value subject to no fluctuation but that slow and imperceptible one from which even the precious metals are not exempt, appears to have been regarded as ranking the mint establishment among public institutions to be sustained from the common Treasury for the general good.

Conformably to these views, very cautious provisions were devised for securing the requisite conformity in the fineness and weight of the coins to the standard declared by law, and supplies of bullion were invited to the mint by very liberal conditions offered to depositors. Coinage was subjected to no charge or loss except the delay incident to the routine of the mint, and it was provided in the act, that when convenient to the public Treasury, prompt payment of the value of deposits, if desired by the party, should be made at a charge of half per cent. as an equivalent for the advance, in anticipation of coinage. These provisions remain in full force to the present day, with only a slight variation in regard to the conditions relating to prompt payment, which practically affects the question in a degree scarcely sensible. Even the waste, unavoidable in the various manipulations of the mint, has at all times been sustained by the United States, the depositor receiving in standard coin all the pure gold or pure silver delivered by him at the mint.

On another occasion, the considerations have been presented, which seem to recommend an adherence to the principle of free coinage, making, at the utmost, only the charge of half per cent., and that not for coinage, but for payment in advance. It may be proper to remark here, in regard to this particular, that, at an early period of the mint, its unproductiveness, compared with the expense of sustaining it, became a subject of comment, and a proposition for abolishing the institution was at one time entertained in Congress. The force of public sentiment appears, however, to have sustained it under these inauspicious circumstances, and even the principle of free coinage remained unchanged. This point is not intended to be pressed at the present moment; that which relates to the constancy of the national coins to their prescribed fineness and weight, is, however, of far higher concern, and claims proportionate attention. If, in regard to these, the stamp of the mint shall cease to give a perfect assurance, the design of a national coinage is essentially defeated.

This vital point is secured under the existing laws, by provisions, which subject the officers implicated in any intentional violation of their duty in this respect, to severe penalties, and visit in an exemplary manner even casual deviations from the legal standard, if exceeding a very restricted limit.

To determine whether the coins issued from the mint have been conformable to the requisitions of the law, it is prescribed that from every delivery of coins a few pieces shall be reserved, to be submitted annually to a special examination, in presence of commissioners designated in the act for that purpose. The records of this commission prove the value of this ordeal, and the precision attainable in coinage under the regulations prevailing on this subject.

It is, indeed, true, and recognised by the provisions alluded to, that absolute accuracy in every single instance is not attainable. The intentment of the law, and the regulations and practice under it, aim at perfect accuracy; and from the average of the annual assays made before the commissioners, the inference is authorized, that, after the experience of the first few years, the coinage of the whole subsequent period, if it could be at once examined as issued from the mint, would present an average not deviating in any appreciable degree from the exact requirements of the law.

In regard to gold, experiments on this point, on a very extended scale, have occurred under the new ratio of gold to silver. Large amounts of the gold coins of the United States of the former standard, which, having been in the vaults of the various banks, had suffered no waste from attrition, have been presented at the mint for recoinage, and in every instance their conformity, both in weight and fineness, to their proper standard, has been found almost perfectly exact. In one instance of a single deposite of nearly half a million of dollars, no sensible deviation from the appropriate weight and fineness could be detected.

In contemplating the above procedure, and its importance to the uniformity and precision of our metallic currency, the first impression suggested by the proposition to establish branches of the mint is associated with a feeling of anxiety in regard to its influence on this delicate feature in the system of our national coinage. It will, however, it is to be presumed, be regarded as indispensable, that the system shall embrace such an organization as may assure to the public an entire concert in regard to this vital concern, so that a coin emitted from any branch of the establishment shall be truly a coin of the United States.

The value of a proper organization in this respect may be usefully illustrated by referring to an example of the evils which result from the want of it, and of its efficiency for the object in view where it prevails.

The character of the Spanish dollar, a coin familiar throughout the world, has long been so well established, that an actual assay thereof had ceased to be regarded as necessary when offered at the mint. Those coins were issued at Madrid, and other cities of Spain, and at various mints dispersed through the Spanish dominions in America. By what precise system of responsibility their constancy to a given standard was formerly secured, the means have not been at hand to ascertain. The effects, however, of the absence now of a proper relation to some central control, are signally manifested in the various issues of those coins, under the authority of the new States of Spanish America. During some years after the royal authority had ceased in those countries, the deviation of their coinage from the Spanish standard was not important. The real standard was evidently aimed at, and on an average maintained. But, within the last three or four years, very sensible irregularities are

becoming apparent, with an evident tendency to deviate more frequently below than above their former standard. The coinage of the city of Mexico adheres still, on an average, very nearly to the fineness of the Spanish dollar, with more irregularity, however, than formerly, in emissions of the same date, while the provincial mints of the Mexican States exhibit deviations exceeding two per cent., and on an average within the last two years their issues are nearly half per cent. inferior to their appropriate value. The silver coins of Peru, Central America, and Chili, maintain their value well, and even incline, according to recent assays, to exceed that of former years; while the dollar of La Plata, of recent coinage, vibrates between 94 and 97 cents, and the dollar of Colombia, according to the average of the specimens exhibited at the mint, scarcely exceeds 75 cents in intrinsic value. The gold coins of the Spanish American States generally have also declined below the proper standard nearly the half of one per cent.

In France, where the system of branch mints prevails, we have an example of a different aspect. Before the revolution, it appears that there were about thirty mints in France. By the latest authority to which access has been had, the number appears at present not to exceed ten. The coinage of the several mints is distinguished by a letter of the alphabet assigned to each: that of Paris bearing the letter A. The coins of France are very nearly uniform in fineness and in average weight. No difference has been noted here in the issues from the different mints. The method of securing this uniformity is given in the *Encyclopedie Methodique*, and, in few words, consists in a relation established with a central commission associated with the mint of Paris; to which place reserved pieces of coin are forwarded periodically for examination.

The special regulations by which the proper relation to the central mint might be maintained here, would of course be carefully digested in any bill which the committee might report, if the establishment of branch mints should meet their approbation. It is not supposed to be in place to advert more particularly to this topic now.

Assuming, therefore, that an entire uniformity in the issues of the whole mint establishment will be secured by adequate provisions, the question submitted would seem to be resolved into one of expediency, in regard to the extra expenditure which the proposed system might involve, compared with the additional benefits to be derived from it.

In pursuing this aspect of the inquiry, it seems necessary to offer a conjecture as to the amount of coinage which might be estimated on from the present mint alone, in a given series of years, with the annual expense accruing; and also as to the additional production from the mint, by diffusing the coining power in the manner proposed, with the additional expenditure incident to this arrangement.

The amount coined in the past year has been about three and a half millions of dollars in silver. There is no indication that the amount of silver offered for coinage within the present year will exceed four and a half millions. The coinage of gold within the last five months of the past year would indicate, considering this fact alone, a supply for coinage within the present year, of about eight and a half millions. That this sum in gold will be actually offered for coinage within the year, ap-

pears very questionable. If, however, the amount above mentioned, both of gold and silver, be regularly supplied, the whole, it may be cursorily stated here, can be coined, within this period, by the existing establishment, with the power designed for the present year.

In regard to silver, it appears, from documentary statements, that it exists in very large abundance in the United States, in the form of foreign coins recently introduced. These are, however, with exceptions of no moment, a legal tender. The charge of their transportation to and from the mint restrains, moreover, very sensibly, the amount offered for coinage from quarters a little remote, and the trivial gain to be derived, now, from the coinage of that class of the dollars of Spanish America which are most abundant, is but little regarded in countervailing this expense.

With respect to gold, it is to be remarked, that, of the coinage of the last five months of the year, from which the abovenamed amount of eight and a half millions has been deduced, more than one million consisted of our own coins of the former standard, which reduces the proportion received from sources hereafter to be relied on to about two and a half millions, and the proportional amount for the year to about six millions.

That the whole coinage of the present year, therefore, will amount only to little more than ten millions, of which about four and a half millions will consist of silver, and nearly six millions in gold, seems highly probable, though in various ways the calculation is liable to error, even as regards the current year. It is with still less assurance that the calculation can be carried forward to a series of years. Peculiar circumstances have directed, during the past season, an unexampled supply of the precious metals to the United States, and the existing rate of our foreign exchange tends to retain them for the present. The whole aspect of our commercial relations favors, too, an expectation that this condition of things will not soon be so far changed as to create an export thereof beyond the current receipts, though their actual accumulation may be greatly diminished and occasionally suspended. For the purpose of comparing the present with the proposed system, therefore, it may be assumed that, for the period of ten years, the amount of ten millions in gold and silver will be annually coined.

It is to be observed, that the amount of coinage estimated on as above for the period named, may be constituted of very different proportions of gold and silver, from that supposed probable during the present year. The accumulation of silver in the United States within the last year, that is, the excess of the imports above the exports, it appears from the tables lately furnished by the department, has been nearly fourfold greater than the accumulation of gold; and it is worthy of observation, as tending to a conclusion of no trivial interest, that the proportion of silver to gold is nearly three to one during the period following the 30th September.

The act of Congress, changing the ratio of gold to silver, passed on the 28th June, from which date up to the latest period of December, of which the returns are before the public, the interval has been sufficient to have evinced, to a very considerable extent, its influence on the introduction of gold into the United States, and the proportional introduction of gold and silver. The great disproportion, under these circumstances, not only between the importation of gold and silver, but also between that of gold

in the form of bullion and in coins, is entitled to special notice ; the latter being threefold greater than the former. That part of the amount consisting in gold coins, it is to be observed, also, must have come chiefly from Europe, it being obvious that the whole class of doubloons, which would be the principal form of gold coins derived from other quarters, possess a value in commerce by tale, which places them beyond the reach of our ratio of gold to silver, or that of any of the nations of Europe. In conformity with the result here alluded to, is the fact exhibited in the late annual report of the mint, that the whole amount of gold received for coinage within the past year from Mexico, South America, and the West Indies, was only \$225,000, which forms a very inconsiderable item of the year's coinage, though exceeding by about \$140,000 the amount for the preceding year.

The inferior proportion of gold, compared with that of silver, derived by importation from what may be called original sources, is further exemplified in the amount imported into New Orleans, which it appears amounted, between the 30th September and 13th December, to only \$260 in gold, while the import in silver exceeded \$1,000,000. The importation into New Orleans for the year ending 30th September was in gold about \$83,000, and in silver about \$5,600,000. The new ratio of gold to silver having, however, been actually established during only two months of that period, the indication is less instructive than that suggested by the importation since September 30th.

On the whole, the conjecture is strongly suggested by the above circumstances, and by the disproportionate quantity of gold to silver produced from the foreign mines, that even the reduced amount assumed as the proportion of gold in the estimated coinage of the current year, viz. \$6,000,000, may not be realized in the coinage of the following years ; and that if, during the series in contemplation of ten years, the average coinage shall amount to \$10,000,000 yearly, the proportion of gold to silver will probably be reversed, so that, of the average annual issues during a considerable portion of that period, about six millions may consist of silver, and four of gold. This estimate of the proportion of gold will also probably be too great, unless about two millions of the average annual amount shall be derived from the gold region of the United States ; leaving two millions annually to result from the accumulation of gold imported from abroad, which may be regarded as at least one-fourth of the annual productions of gold from the mines of Europe and America, exclusive of the United States, within the same period. If, from the gold region of the United States, the amount should exceed, on an average, for the whole period, two millions annually, which is highly probable, the proportion will be to that extent changed, and the aggregate so much increased, without, however, disturbing the conclusion to which the calculation tends, as far as the question of branch mints is involved ; the expediency of which derives much of its force, in regard to the positions on the seaboard at least, from the tendency of the importation of the precious metals to consist much more largely of silver than of gold.

It is acknowledged that these calculations are exceedingly liable to error ; liable, perhaps, also to the surmise that they are adopted with less hesitation, as harmonizing with impressions previously entertained and expressed on a former occasion, that, in order to metalize our currency

to the extent which seems desirable, and to effect this without lessening the volume of the circulating medium, it is necessary that silver should be relied on to perform an important share in the procedure. I am not insensible that opinions adverse to this are entertained and supported by authorities entitled to the highest respect; my own views, however, which you have requested, would be useless in the present inquiry, if not distinctly presented.

Supposing, then, an annual coinage of ten millions for the next ten years, of which six millions shall be silver; and dismissing, at present, the suggestion, not unlikely to arise, that, whatever assignable amount of bullion may be reasonably calculated on to be offered for coinage at a single position, a larger amount might result from a diffusion of the coining power, it will be useful to compare the expenditure at a single point with that under the proposed system of branches.

It has before been stated that four and a half millions of silver and eight and a half of gold could be coined at the present mint with the power contemplated for the current year. It is proper to add that, if the amount of silver were six millions, and that of gold four millions, the coinage would be effected within the same period by the employment of about the same force, and the deliveries of coins restricted within the limits of from thirty to sixty days, if the bullion were regularly supplied.

The annual expense at the present mint on a coinage of the above amount, and consisting of the proportion of gold and silver above assumed, could not be justly estimated at less than eighty thousand dollars, including wastage. If it be now supposed that two branches of the mint be established, viz. at New Orleans and New York, adapted to the coinage of both gold and silver, and the latter chiefly, and one branch in the gold region of the United States, appropriated for the special coinage of gold, the best estimate I have been able to make, after careful consideration, and conferring with the officers of the mint most familiar with the subject, is, that, for the aggregate coinage above contemplated, the expenditure at the present mint, and the two branches first alluded to, would be thirty-five thousand dollars each, and at the branch exclusively appropriated for gold coinage, fifteen thousand dollars. A conjecture may be offered also, which would probably be a near approximation to the truth, that, if the average amount of coinage for the period in question should be ten millions annually, the aggregate at the end of the period would be nearly the same at each of those four positions.

The above estimate exhibits an increase of annual expenditure under the branch system, of forty thousand dollars.

Without presenting any calculation founded on the basis of a different amount of coinage, it is proper to observe that several have been made, but with results as to the amount of extra expenditure too nearly assimilated to the above to require specific detail, the difference being without interest on a question of this moment. It appears, therefore, that for any assignable amount of coinage which the present establishment is competent to, if the system of branches be adopted, and embrace the three positions referred to, the annual expenditure would be increased by about the above sum.

The foregoing estimate of expenditure proceeds on the supposition of a coinage free of charge, provided the depositor shall choose to wait the

delay of the mint, according to the liberal provisions of the act of 1792. It is, however, to be acknowledged that the arguments in favor of this principle would be much weakened if a distribution of the coining power be resorted to; the easier access to the mint, resulting from this arrangement, would, in respect to a large portion of the community, be more than an equivalent for a moderate charge at the mint.

It is to be observed that the absolute expense of the mint establishment is subject to a deduction to the amount of the gain on the copper coinage, which may be estimated, for the period named, at ten thousand dollars yearly; leaving the effective expenditure, under the present establishment, seventy thousand dollars for the amount referred to, and including branches, one hundred and ten thousand dollars. Copper is furnished for coinage by the United States, and the coins are forwarded to all parts of the Union, within the range of ordinary means of transportation, at the public expense and risk; and hence it would seem questionable whether the diffusion of the coining power would increase to any important extent the amount distributed in these coins.

Thus far the assumption has been followed, that the amount of gold and silver coined under the present system and that of branches would be the same; it seems, however, very manifest that the aggregate amount would be greater under the latter. The excess would, in an especial manner, apply to the coinage of silver, but in a sensible degree also, it is believed, to that of gold. It may indeed be reasonably doubted whether the average annual amount assumed as the basis of the foregoing estimate would be offered for coinage at any one point of the United States during the next ten years. The probability, however, is strong that, under the system of branches, the whole amount of coinage for the period in view would exceed the estimate.

That the effect of the establishment of a branch of the mint at New Orleans would be very sensibly felt in increasing the aggregate of coinage, especially in silver, may be readily imagined from referring to the tables before mentioned, of the imports and exports of coins and bullion, which show that a very large proportion of the whole accumulation of the precious metals in the United States, within the period they embrace, has been received through that port; while the expenses necessarily accruing on an intercourse with the mint, from that quarter, forbid the expectation that any considerable deposit of bullion, in any form which can otherwise be rendered available, will be derived from thence. The freight and insurance on specie, from New Orleans to Philadelphia, may be estimated at from one to one and a quarter per cent., and the same on the return of the coins, thus making from two to two and a half per cent. The delay incident to the double transportation alone would be equivalent probably to three-quarters of one per cent., so that the whole effective charge may be about three per cent.

The sum of the impediments to an intercourse with the present mint, pertaining to the gold region of the South, arising partly from distance, and still more perhaps from the indirectness of the channels of access, may be estimated at about the same per centage as in the case of New Orleans.

The inconvenience experienced by New York is of a much less onerous character. The charge of freight, including the return of the coins,

does not, it is believed, exceed the tenth of one per cent.; the time required for the transportation is reduced to a few hours, not generally exceeding eight; insurance, it is understood, is rarely resorted to. The consideration of risk, however, is not to be wholly left out of view in such an estimate, but may perhaps reasonably be valued, together with the transportation, and incidentals, not easily enumerated, at one-third of one per cent. as the measure of the difference between New York and Philadelphia in regard to the facilities of the mint. This seems to be the full measure assignable in terms, but practically it is presumed that more copious deposits would be made for coinage even under a charge of half per cent. at a branch in New York; than would be forwarded from thence to the present mint, subject to the incidents, of whatever character, pertaining to the double transportation to and from Philadelphia.

Our experience strongly indicates the effect of distance to be disproportioned to the actual charge for transportation in restraining deposits from coming to the mint. The delay of coinage, it is believed, exerts, in this respect, less influence than has been supposed. It has been practicable, at all times, within the last ten years, to commute this for prompt payment at half per cent., mint certificates having uniformly, within that period, been readily cashed in this city at that deduction, generally by some of the city banks, and invariably by the Bank of the United States.

In estimating the expenditure required to erect suitable structures, and complete the necessary combinations of machinery for the several branches contemplated in the resolutions, no safer basis suggests itself in regard to those positions, severally, where the coinage of gold and silver, and more of the latter than the former, is to be provided for, than to take the example of the present mint, for the erection of which, including the site and the machinery, the aggregate sum of \$198,500 was appropriated; say, in round numbers, \$200,000. In regard to an establishment appropriate for the coinage of gold alone, the sum of \$50,000, it is presumed, would be competent to its completion.

In the determination of the positions to be occupied, in the event of the principle of branches being adopted, no question, it is presumed, will arise as to the force of the considerations which indicate New Orleans as the first. If the establishment of another branch on the seaboard be approved, the selection of New York would proceed less, it is presumed, on an estimate of the existing impediments to her intercourse with the present mint, than on a perception of the value of that position to the policy of enlarging our yearly coinage, and to a prompt and wide diffusion of the national coins. The facilities of New York as a receiving port, and not less as a centre of extended distribution, render it probable that, next to New Orleans, a branch of the mint in that city would contribute the most efficient aid in accomplishing the purposes of the mint establishment. After deducting from the amount of imports of the precious metals at New York, as exhibited in the tables, that proportion, it is presumed a very large one, due to the capitalists of Philadelphia, a residue will remain, proper to that city, transcending by far the amount imported at any other point, New Orleans excepted.

In regard to the gold district of the Southern States, a proposition has, on several occasions, been presented before Congress for the establishment of assay offices in various sections of that region. To some extent

these would seem desirable, but, practically, it is believed, their advantages would be found much inferior to the anticipation entertained, and liable also to some embarrassment, as the bars of bullion assayed thereat would be subject to a further assay on their arrival at the mint. An establishment for performing the operations of coinage would, however, manifestly promote the interest of the locality selected, and be sensibly felt, it is not doubted, over an extended portion of the gold district. On this topic it is proper to observe, that the gold of the Southern States, before reaching the mint, is liable to be diverted from the purpose of coinage, to be employed in the arts, for which latter purpose it is more desirable than our gold coins of the present standard.

As before remarked, mint certificates have been regularly cashed by the banks in Philadelphia at half per cent. during the last ten years. So that although no fund had, until within the last six months, been assigned for this purpose by the Treasury Department, and, therefore, the deduction for prompt payment has not accrued to the public, yet, as far as the depositor has been concerned, the advantage of prompt payment of the value of his deposit, at the deduction aforesaid, has been equally available when he has preferred it to the delay of coinage. This delay, which, under the pressure of an unusual supply of bullion, has been more than ordinarily extended within the past year, may be considered as commonly varying between thirty and sixty days. A delay, extending to even a longer period, it may be remarked, however, is less regarded by the larger depositors of bullion, who are usually the banks, than the charge of half per cent. The fact has been manifested frequently within the last year, that those institutions sustain a delay even of four months, in preference to the above deduction for prompt payment. An instance has very rarely occurred of prompt payment at half per cent. being preferred to the mint delay by any bank, for a deposit of silver; in a few instances, for the purpose of procuring promptly the new gold coins, it may have occurred in regard to a gold deposit.

The above fact may be regarded as of some value in estimating the effect of even a small charge at the mint, in lessening the amount of deposits. Since it appears that the largest depositors prefer a long delay to a deduction of half per cent., the inference is suggested, that if the charge of half per cent. be made absolute, though connected with prompt payment, the amount of deposits would be sensibly diminished, especially if the coining power remain concentrated at one point.

In connexion with this effect of even a small charge at the mint, to restrain deposits, it is to be remembered that the Government furnishes no gold or silver for coinage. So far as the currency has been supplied with gold or silver coins of the United States, it has resulted from deposits spontaneously offered at the mint. On this principle rests, in some measure, it may be observed, the expediency of the provisions making certain foreign coins a legal tender—a measure which will still, it is not doubted, approve itself to the judgment of Congress, until, by such means as shall be adequate to the effect, the issues of the mint shall have supplied the community with a copious national coinage.

In estimating the general influence on the accommodation of the community, to be anticipated from the system of branches of the mint, it is proper to notice the effect to be produced in extending a competent sup-

ply of the denominations of our silver coin subordinate to the half dollar. On a late occasion, the opportunity was embraced to express some concern as to the waste of those coins, by exportation or consumption in the arts. No other explanation presents itself of the fact, that so small a proportion of those denominations appears in circulation. Within the last six years, the number of dimes and half dimes, issued from the mint, would suffice to have placed about four pieces of each in every family in the United States, and yet it seems obvious that there is not one of each, on an average, in every family. On the occasion alluded to, the expediency was submitted of exacting a seignorage from the weight of the silver coins of less denomination than the half dollar, limiting, at the same time, their employment to payments of very small amount. The efficiency of a seignorage, applied in this manner, to retain in circulation such coins as are thus restricted to small payments, appears as obvious as would be its inutility for that end, if applied to coins which constitute the general legal tender, and thence the measure of value for all other things. The introduction, however, of any anomaly into our coinage, is regarded with little satisfaction; and while the question of a diffusion of the coining power is under consideration, I forbear to solicit the further attention of the department to the measure referred to. The experience of another year, within which a larger issue than usual of the coins mentioned is designed to be made, will, at all events, be instructive in regard to the tendency of those coins to be diverted from their proper use; and should it be the pleasure of Congress to adopt the principle of branches, the addition to the whole expense of the establishment, by an issue of small coins so copious as to be affected but very insensibly by the waste alluded to, would be too trivial an item to merit consideration.

The general aspect of the preceding remarks is in favor of free coinage, subject to no charge at the mint exceeding the half of one per cent., as an equivalent for prompt payment. This, if the measure of branch mints be adopted, and combined with immediate payment in coins of the preferred denominations, would, it is presumed, very slightly restrain the amount of deposits. The arrangement would not involve the necessity of assigning a large amount of the public funds for the object, at any one point, while the aggregate of the sums thus retained would approximate near to one-half of the expenses of the mint, and, with the gain on the copper coinage, might be regarded as certainly covering one-half, leaving the absolute burden on the public Treasury for the whole mint establishment, under a system of branches, at about \$60,000.

If, when the currency shall have been well supplied with the national coins, in a due proportion of the several denominations, a question should arise as to the expediency of a charge on coinage, adequate to the whole expense of the establishment, the force of those considerations which now recommend the policy of soliciting bullion to the mint by the most liberal facilities will have been sensibly impaired.

I have the honor to be,

Very respectfully,

Your obedient servant,

SAM. MOORE, *Director.*

HON. LEVI WOODBURY,

Secretary of the Treasury.

